

SEVENTH SUPPLEMENTAL INDENTURE

dated as of May 1, 2020

Supplementing and amending that certain

INDENTURE

dated as of January 1, 2009, as supplemented and amended,

by and between

**PUBLIC FACILITIES FINANCING AUTHORITY
OF THE CITY OF SAN DIEGO**

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

relating to

**Public Facilities Financing Authority of the City of San Diego
Senior Water Revenue Bonds, Series 2020A
(Payable Solely From Installment Payments
Secured by Net System Revenues of the Water Utility Fund)**

and

**Public Facilities Financing Authority of the City of San Diego
Senior Water Revenue Refunding Bonds, Series 2020B
(Payable Solely From Installment Payments
Secured by Net System Revenues of the Water Utility Fund)**

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SEVENTH SUPPLEMENTAL INDENTURE

THIS SEVENTH SUPPLEMENTAL INDENTURE (this "**Supplement**"), is made and entered into as of May 1, 2020, by and between the PUBLIC FACILITIES FINANCING AUTHORITY OF THE CITY OF SAN DIEGO, a joint exercise of powers authority duly organized and existing under the laws of the State of California (the "**Authority**"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized under the laws of the United States of America, as successor trustee (the "**Trustee**"), under that certain Indenture, dated as of January 1, 2009 (the "**Original Indenture**"), as supplemented and amended by the First Supplemental Indenture, dated as of June 1, 2009 (the "**First Supplement**"), the Second Supplemental Indenture, dated as of June 1, 2010 (the "**Second Supplement**"), the Third Supplemental Indenture, dated as of April 1, 2012 (the "**Third Supplement**"), the Fourth Supplemental Indenture, dated as of June 1, 2016 (the "**Fourth Supplement**"), the Fifth Supplemental Indenture, dated as of January 1, 2017 (the "**Fifth Supplement**"), the Sixth Supplemental Indenture, dated as of December 1, 2018 (the "**Sixth Supplement**"), each by and between the Authority and the Trustee (the Original Indenture, as supplemented and amended by the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, the Fifth Supplement, the Sixth Supplement and this Supplement, the "**Indenture**");

WITNESSETH:

WHEREAS, the Original Indenture provides that the Authority may issue Additional Bonds (as defined in the Original Indenture) in order to assist The City of San Diego, a municipal corporation and a charter city duly organized and existing under its Charter and the Constitution of the State of California (the "**City**"), in the financing and refinancing of improvements to the Water System (as defined in the Original Indenture); and

WHEREAS, in order to effect the acquisition, construction and installation of improvements to the water system of the City (the "**Water System**"), the San Diego Facilities and Equipment Leasing Corporation (the "**Corporation**") sold components of the City's water system improvement project to the City pursuant to the Amended and Restated Master Installment Purchase Agreement, dated as of January 1, 2009, as amended and supplemented by the 2009A Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of January 1, 2009, the 2009B Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of June 1, 2009, the 2010A Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of June 1, 2010, the 2012A Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of April 1, 2012, the 2016 Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of June 1, 2016, the 2017 Commercial Paper Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of January 1, 2017, the First Amendment to Amended and Restated Master Installment Purchase Agreement dated as of November 14, 2018, the 2018 Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of December 1, 2018, each by and between the City and the Corporation, and as supplemented by the Collateral Agency, Account and Assignment Agreement, dated as of November 14, 2018, by and among the City, the Corporation, the Authority, the United States Environmental Protection Agency, acting by and through the Administrator of the Environmental Protection Agency, and U.S. Bank National Association as collateral agent under the Collateral Agency Agreement and as Trustee under the Indenture (collectively, the "**Agreement**"), pursuant to which the Corporation has agreed to sell certain improvements and additions (comprised of various components, each, a "**Component**") to the water system of the City (the "**Water System**") and the City has agreed from time to time to purchase certain Components as specified in certain supplements to the Agreement; and

WHEREAS, to refund a portion of the outstanding Public Facilities Financing Authority of the City of San Diego Subordinated Water Revenue Bonds, Series 2002 (the "**Refunded 2002 Bonds**") consisting of all outstanding 2002 Bonds but for the \$16,430,000 August 1, 2012 serial maturities, the

Authority issued its Subordinated Water Revenue Bonds, Refunding Series 2012A (Payable Solely from Subordinated Installment Payments Secured by Net System Revenues of the Water Utility Fund) (the "**2012A Bonds**"), in the aggregate principal amount of \$188,610,000; and

WHEREAS, the City has now requested the assistance of the Authority in the financing and refinancing of additional components of the Water System, including paying the Commercial Paper Notes as defined in the Agreement (the "**2020 Components**"); and

WHEREAS, the Authority has agreed to provide assistance to the City by financing and refinancing the 2020 Components; and

WHEREAS, to provide funds to finance additional capital improvements to the Water System, and to finance the 2020 Components, the Authority desires to issue its Senior Water Revenue Bonds, Series 2020A (Payable Solely from Installment Payments Secured by Net System Revenues of the Water Utility Fund) (the "**2020A Bonds**"), in the aggregate principal amount of \$221,420,000; and

WHEREAS, to provide funds to, among other things, refund and redeem all of the outstanding 2012A Bonds (the "**2012A Subordinated Bonds**"), the Authority desires to issue its Senior Water Revenue Refunding Bonds, Series 2020B (Payable Solely from Installment Payments Secured by Net System Revenues of the Water Utility Fund) (the "**2020B Bonds**"), together with the 2020A Bonds, the "**2020 Bonds**"), in the aggregate principal amount of \$114,195,000; and

WHEREAS, the 2020 Bonds will be secured by the 2020 Installment Payments (as defined in this Supplement) to be made by the City pursuant to that certain 2020 Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of May 1, 2020 (the "**2020 Supplement**"), by and between the City and the Corporation, which 2020 Installment Payments constitute Parity Obligations; and

WHEREAS, in order to establish and declare the terms and conditions upon which the 2020 Bonds are to be issued and secured, to provide for the payment of the principal thereof and the premium (if any) and interest thereon, and to provide for the herein described amendments, the Authority and the Trustee desire to enter into this Supplement; and

WHEREAS, all acts, conditions, and things required by law to exist, to have happened, and to have been performed precedent to and in connection with the execution and delivery of this Supplement do exist, have happened, and have been performed in a regular and due time, form, and manner as required by law and the Original Indenture, the parties hereto are now duly authorized to execute and enter into this Supplement.

NOW, THEREFORE, in consideration of the covenants and provisions herein set forth and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

Section 1. Definitions. Unless the context clearly otherwise requires, all capitalized terms used in this Supplement shall have the meanings assigned to such terms in the Recitals hereof or in the Original Indenture, the First Supplement, the Second Supplement, or the Third Supplement, as applicable.

(A) **The definitions of the following terms in the Original Indenture, the First Supplement, the Second Supplement and the Third Supplement, as applicable, shall be modified to read as follows:**

Agreement

The term "Agreement" means the Master Installment Purchase Agreement, dated as of August 1, 2002, as amended and supplemented by the, a 2002 Supplement to Master Installment Purchase Agreement, dated as of August 1, 2002, a 2002 Supplement to Master Installment Purchase Agreement, dated as of October 1, 2002, an Amended and Restated Master Installment Purchase Agreement, dated as

of January 1, 2009, a 2009A Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of January 1, 2009, a 2009B Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of June 1, 2009, a 2010A Supplement to Amended and Restated Master Installment Sale Agreement, dated as of June 1, 2010, a 2012A Supplement to Amended and Restated Master Installment Sale Agreement, dated as of April 1, 2012, a 2016 Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of June 1, 2016, a 2017 Commercial Paper Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of January 1, 2017, First Amendment to Amended and Restated Master Installment Purchase Agreement dated as of November 14, 2018, a 2018 Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of December 1, 2018, and the 2020 Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of May 1, 2020, each by and between the City and the Corporation, and as supplemented by the Collateral Agency, Account and Assignment Agreement, dated as of November 14, 2018, by and among the City, the Corporation, the Authority, the United States Environmental Protection Agency, acting by and through the Administrator of the Environmental Protection Agency, and U.S. Bank National Association as collateral agent under the Collateral Agency Agreement and as Trustee under the Indenture, as such Agreement may from time to time be further amended or supplemented by all Supplements executed pursuant to the provisions thereof.

Certificate of Completion

The term "Certificate of Completion" means, with respect to the 2020A Bonds, a Certificate of the City filed with the Trustee stating that the 2020 Components financed and/or refinanced with the proceeds of the 2020A Bonds have been acquired, constructed, installed and improved and that all Acquisition Costs relating thereto have been paid or provided.

Costs of Issuance Account

The term "Costs of Issuance Account" means, with respect to the 2020 Bonds, the account by that name established under such Section 19.5 of this Supplement for the payment of Costs of Issuance with respect to the 2020 Bonds.

Principal Payment Date

The term "Principal Payment Date" means, with respect to the 2020A Bonds, each August 1, commencing August 1, 2020, through and including August 1, 2049 and with respect to the 2020B Bonds, each August 1, commencing August 1, 2020, through and including August 1, 2032.

In addition, the following terms shall have the following meanings, which terms are hereby added to Section 1.01 of the Original Indenture.

2012A Subordinated Bonds

The term "2012A Subordinated Bonds" means the portions of those maturities of the 2012A Bonds being prepaid with the proceeds of the 2020B Bonds.

2012A Bonds

The term "2012A Bonds" means the Public Facilities Financing Authority of the City of San Diego Subordinated Water Revenue Bonds, Series 2012A (Payable Solely From Subordinated Installment Payments Secured by the Net System Revenues of the Water Utility Fund of the City of San Diego).

2012 Escrow Agreement

The term "2012 Escrow Agreement" means that certain escrow agreement, dated as of May 1, 2020 by and between the Authority and U.S. Bank National Association, as escrow agent, relating to the 2012A Subordinated Bonds.

2012 Escrow Fund

The term "2012 Escrow Fund" means the fund by such name established in the 2012 Escrow Agreement.

2012 Trustee

The term "2012 Trustee" means U.S. Bank National Association, as successor trustee under the 2009 Indenture.

2020A Acquisition Fund

The term "2020A Acquisition Fund" means the City of San Diego Water System Improvement Project Acquisition Fund – 2020 Bonds established under this Supplement.

2020A Bonds

The term "2020A Bonds" means the Public Facilities Financing Authority of the City of San Diego Senior Water Revenue Bonds, Series 2020A (Payable Solely From Installment Payments Secured by the Net System Revenues of the Water Utility Fund).

2020B Bonds

The term "2020B Bonds" means the Public Facilities Financing Authority of the City of San Diego Senior Water Revenue Refunding Bonds, Series 2020B (Payable Solely From Installment Payments Secured by the Net System Revenues of the Water Utility Fund).

2020 Bonds

The term "2020 Bonds" means the 2020A Bonds and the 2020B Bonds.

2020A Underwriters

The term "2020A Underwriters" means, with respect to the 2020A Bonds, collectively, Morgan Stanley & Co. LLC, RBC Capital Markets, LLC, Goldman Sachs & Co., LLC, Siebert Williams Shank & Co., LLC, and Jefferies Financial Group.

2020B Underwriters

The term "2020B Underwriters" means, with respect to the 2020B Bonds, collectively RBC Capital Markets, LLC, Morgan Stanley & Co. LLC, Goldman Sachs & Co., LLC, Siebert Williams Shank & Co., LLC, and Jefferies Financial Group.

2020 Closing Date

The term "2020 Closing Date" means May 11, 2020 the date of initial delivery of the 2020 Bonds.

2020 Components

The term "2020 Components" means the Components of the Project specified in in Exhibit A to the 2020 Supplement, for which the City will be making 2020 Installment Payments.

2020 Installment Payments

The term "2020 Installment Payments" means those Installment Payments scheduled to be paid by the City under the 2020 Supplement.

2020 Supplement

The term "2020 Supplement" means the 2020 Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of May 1, 2020, by and between the City and the Corporation.

Section 2. Provisions Relating to the 2020 Bonds.

The following new Article is hereby added to the Original Indenture:

ARTICLE XIX

ISSUANCE AND DELIVERY OF 2020 BONDS

Section 19.1. 2020 Bonds Authorized. The Authority has reviewed all proceedings heretofore taken relative to the authorization of the 2020 Bonds and has found, as result of such review, and hereby finds and determines that, as of the date of issuance of the 2020 Bonds, all things, conditions, and acts required by law to exist, happen, and be performed precedent to and in the issuance of the 2020 Bonds do exist, have happened, and have been performed in due time, form, and manner as required by law, and the Authority is now authorized, pursuant to the provisions of each and every requirement of law, to issue the 2020 Bonds in the manner and form provided in the Indenture. Accordingly, the Authority hereby authorizes the issuance of the 2020 Bonds pursuant to the provisions of California law and the Original Indenture, as supplemented and amended by the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, the Fifth Supplement, the Sixth Supplement, and this Supplement.

The 2020 Bonds shall be entitled to the benefit, protection, and security of the provisions of the Original Indenture, as supplemented and amended by the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, the Fifth Supplement, the Sixth Supplement, and this Supplement.

Section 19.2. 2020 Bonds under the Indenture. The 2020 Bonds are issued subject to the terms of the Indenture and are secured by and payable from Revenues in accordance with the terms of the Indenture. The 2020 Bonds shall constitute Senior Bonds.

Section 19.3. Terms of 2020 Bonds. Unless specifically set forth below, the terms and provisions of the Original Indenture and First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, the Fifth Supplement and the Sixth Supplement shall apply equally to the 2020 Bonds.

(a) **Designation of 2020A Bonds.** The 2020A Bonds shall be designated the "Public Facilities Financing Authority of the City of San Diego Senior Water Revenue Bonds, Series 2020A (Payable Solely from Installment Payments Secured By Net System Revenues of the Water Utility Fund)," and shall be issued in the original aggregate principal amount of \$221,420,000.

(b) Designation of 2020B Bonds. The 2020B Bonds shall be designated the “Public Facilities Financing Authority of the City of San Diego Senior Water Revenue Refunding Bonds, Series 2020B (Payable Solely from Installment Payments Secured By Net System Revenues of the Water Utility Fund),” and shall be issued in the original aggregate principal amount of \$114,195,000.

(c) Maturity Schedule for 2020A Bonds. The 2020A Bonds shall be dated their date of delivery, shall be issued only in fully registered form in Authorized Denominations of \$5,000 or any integral multiple thereof, and shall mature on the dates and in the principal amounts and shall bear interest at the rates set forth in the following schedule (based on a 360 day year, comprised of twelve 30-day months), with the first Interest Payment Date for the 2020A Bonds commencing on August 1, 2020.

Maturity Date (August 1)	Principal Amount	Interest Rate
2020	\$5,900,000	5.000%
2021	3,575,000	5.000
2022	3,760,000	5.000
2023	3,950,000	5.000
2024	4,155,000	5.000
2025	4,370,000	5.000
2026	4,590,000	5.000
2027	4,830,000	5.000
2028	5,075,000	5.000
2029	5,335,000	5.000
2030	5,610,000	5.000
2031	5,895,000	5.000
2032	6,200,000	5.000
2033	6,515,000	5.000
2034	6,850,000	5.000
2035	7,205,000	5.000
2036	7,535,000	4.000
2037	7,840,000	4.000
2038	8,160,000	4.000
2039	8,495,000	4.000
2040	8,840,000	4.000
2045	49,920,000	4.000
2049	46,815,000	3.000

(d) Maturity Schedule for 2020B Bonds. The 2020B Bonds shall be dated their date of delivery, shall be issued only in fully registered form in Authorized Denominations of \$5,000 or any integral multiple thereof, and shall mature on the dates and in the principal amounts and shall bear interest at the rates set forth in the following schedule (based on a 360 day year, comprised of twelve 30-day months), with the first Interest Payment Date for the 2020B Bonds commencing on August 1, 2020.

Maturity Date (August 1)	Principal Amount	Interest Rate
2020	\$ 8,510,000	1.031%
2021	8,035,000	1.131
2022	8,135,000	1.231
2023	8,235,000	1.327
2024	8,350,000	1.532
2025	8,490,000	1.682
2026	8,640,000	1.903
2027	8,815,000	2.003
2028	8,995,000	2.053
2029	9,185,000	2.133
2030	9,385,000	2.183
2031	9,595,000	2.283
2032	9,825,000	2.333

(e) Optional Redemption of 2020A Bonds. The 2020A Bonds maturing on and after August 1, 2031 shall be subject to redemption, in whole or in part, at the option of the Authority (upon the direction of the City), on or after August 1, 2030, at any time, from and to the extent of prepaid 2020 Installment Payments paid pursuant to the 2020 Supplement, at a redemption price equal to the principal amount of 2020 Bonds called for redemption, together with interest accrued thereon to the date fixed for redemption, without premium.

(f) Mandatory Sinking Fund Redemption. The 2020A Bonds maturing on August 1, 2045 are subject to mandatory sinking fund redemption, with sinking account payments payable on August 1 in each of the years, at a redemption price of par, plus interest accrued to the date fixed for redemption, in the principal amounts as follows:

2020A Bonds Maturing August 1, 2045

Sinking Fund Payment Dates (August 1)	Principal Amount
2041	\$9,200,000
2042	9,575,000
2043	9,970,000
2044	10,375,000
2045†	10,800,000

† Final maturity.

The 2020A Bonds maturing on August 1, 2049 are subject to mandatory sinking fund redemption, with sinking account payments payable on August 1 in each of the years, at a redemption price of par, plus interest accrued to the date fixed for redemption, in the principal amounts as follows:

2020A Bonds Maturing August 1, 2049

Sinking Fund Payment Dates (August 1)	Principal Amount
2046	\$11,180,000
2047	11,525,000
2048	11,875,000
2049†	12,235,000

† Final maturity.

(g) Make-Whole Optional Redemption for the 2020B Bonds. The 2020B Bonds are subject to redemption prior to the respective maturity dates, at the option of the City, from any available funds, in whole or in part at a redemption price equal to the greater of:

- (i) 100% of the principal amount of the 2020B Bonds to be redeemed; or
- (ii) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of the 2020B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which the 2020B Bonds are to be redeemed, discounted to the date on which the 2020B Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate, plus the applicable basis points set forth in the following schedule:

Maturity Date (August 1)*	Applicable Make-Whole Premium (Basis Points)
2020	15
2021	15
2022	15
2023	20
2024	20
2025	20
2026	25
2027	25
2028	25
2029	25
2030	25
2031	25
2032	25

plus, in each case, accrued interest on the 2020B Bonds to be redeemed to the date fixed for redemption.

“Treasury Rate” means, with respect to any redemption date for a particular 2020B Bond, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available on a date selected by the Board that is at least two Business Days prior to the redemption date (excluding inflation indexed securities) (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to the maturity date of the 2020B Bond to be redeemed; provided, however, that if the period from the redemption date to such maturity date is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

(f) Selection for Redemption. If less than all of the outstanding 2020 Bonds are to be redeemed prior to maturity pursuant to Section 19.3(d), the Authority (at the direction of the City) shall select the specific maturity and interest rate (or maturities of bonds and interest rates) of 2020 Bonds, or portions thereof equal to \$5,000 or any integral multiple thereof, including any specified reduction in any sinking account payments required to be made with respect to such outstanding 2020 Bonds, to be redeemed. If less than all of the 2020 Bonds of like maturity are to be redeemed, the Trustee will select the particular 2020 Bonds or portions of 2020 Bonds to be redeemed at random in such manner as the Trustee in its discretion may deem fair and appropriate.

(g) Effect of Redemption. If notice of redemption has been duly given as provided in Section 3.02(c) of the Indenture and money for the payment of the redemption price of the 2020 Bonds called for redemption is held by the Trustee, then on the redemption date designated in such notice, the 2020 Bonds shall become due and payable, and from and after the date so designated, interest on the 2020 Bonds so called for redemption shall cease to accrue, and the Owners of such 2020 Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof. The insufficiency of any such notice shall not affect the sufficiency of the proceedings for redemption. If said moneys are not so available on the redemption date, such 2020 Bonds or portions thereof will continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption. If there is selected for redemption a portion of a 2020 Bond, the Authority will execute and the Trustee will authenticate and deliver, upon the surrender of such 2020 Bond, without charge to the Owner thereof, for the unredeemed balance of the principal amount of the 2020 Bond so surrendered, a 2020 Bond of like maturity and interest rate in any authorized denomination.

(h) Form of 2020 Bonds. The form of the 2020A Bonds and the 2020B Bonds shall be substantially as set forth in Exhibit A to this Supplement. Only those 2020A Bonds and the 2020B Bonds bearing thereon a certificate of authentication and registration in substantially the form set forth in Exhibit A to this Supplement, executed manually and dated by the Trustee, shall be entitled to any benefit, protection, or security hereunder or be valid or obligatory for any purpose, and such certificate of the Trustee shall be conclusive evidence that the 2020A Bonds and the 2020B Bonds so authenticated and registered have been duly authorized, executed, issued, and delivered hereunder and are entitled to the benefit, protection, and security hereof.

(i) No Reserve Fund. The 2020 Bonds shall not be secured by any reserve fund.

Section 19.4. Execution and Delivery of 2020 Bonds. At any time after the execution and delivery of this Supplement, the Authority may sell and the Trustee shall authenticate and deliver, upon the Written Request of the Authority, the 2020 Bonds.

Section 19.5. Establishment of Costs of Issuance Account for the 2020 Bonds. The Trustee is directed to establish a special trust account to be designated the "City of San Diego Costs of Issuance Account – 2020 Bonds."

Section 19.6. Establishment of 2020A Acquisition Fund. The Trustee is directed to establish a special trust fund to be designated the "City of San Diego Water System Improvement Projects Acquisition Fund – 2020A Bonds."

Section 19.7. Application of Proceeds of 2020 Bonds and Other Amounts.

(a) Application of Proceeds of 2020A Bonds. The net proceeds received from the sale of the 2020A Bonds, being the amount of \$250,253,576.28 (representing \$221,420,000.00 of aggregate principal amount, plus \$29,438,376.20 of the original issue premium, less \$604,799.92 of underwriters' discount) shall be deposited in trust with the Trustee, who shall forthwith set aside or transfer such proceeds as follows:

(i) The Trustee shall deposit into that certain Costs of Issuance Account for the 2020A Bonds the amount of \$253,576.28;

(ii) The Trustee shall transfer \$112,776,000.00 to U.S. Bank National Association, as Issuing and Paying Agent for the Commercial Paper Notes to pay the principal of the Commercial Paper Notes; and

(iii) The Trustee shall deposit to the 2020A Acquisition Fund the amount of \$137,224,000.00.

The Trustee may, in its discretion, establish a temporary fund or account to account for and facilitate the foregoing deposits and transfers.

(b) Application of Proceeds of 2020B Bonds. The net proceeds received from the sale of the 2020B Bonds, being the amount of \$113,878,800.64 (representing \$114,195,000 of aggregate principal amount, less \$316,199.36 of underwriters' discount,) shall be deposited in trust with the Trustee, who shall forthwith set aside or transfer such proceeds as follows:

(i) The Trustee shall deposit into that certain 2020 Costs of Issuance Account for the 2020B Bonds the amount of \$150,374.32;

(ii) The Trustee shall transfer to U.S. Bank National Association, as escrow agent, the amount of \$113,728,426.32, to be deposited in the 2012 Escrow Fund and applied in accordance with the provisions of the 2012 Escrow Agreement.

(ii) The Trustee shall transfer to U.S. Bank National Association, as escrow agent, the amount of \$11,874,736.32 from the Common Subordinated Reserve Bonds Fund for the 2012A Bonds, to be deposited in the 2012 Escrow Fund and applied in accordance with the provisions of the 2012 Escrow Agreement.

(iii) The Trustee shall transfer to U.S. Bank National Association, as escrow agent, the amount of \$2,216.39 from the Subordinated Bonds Payment Fund for the 2012A Bonds, to be deposited in the 2012 Escrow Fund and applied in accordance with the provisions of the 2012 Escrow Agreement.

(iv) The Trustee shall transfer to U.S. Bank National Association, as escrow agent, the amount of \$1.11 from the Subordinated Bonds Interest Account for the 2012A Bonds, to be deposited in the 2012 Escrow Fund and applied in accordance with the provisions of the 2012 Escrow Agreement.

The Trustee may, in its discretion, establish a temporary fund or account to account for and facilitate the foregoing deposits and transfers.

Section 19.8. Use of Moneys in Costs of Issuance Account for the 2020 Bonds. The Trustee shall disburse moneys from the Costs of Issuance Account for the 2020 Bonds to pay Costs of Issuance with respect to the 2020 Bonds. Such disbursements shall be made from time to time upon receipt of Requisitions of the City on behalf of the Authority substantially in the form attached as Exhibit B to this Supplement. On November 11, 2020, or upon the earlier written request of the City, the Trustee shall transfer any then-remaining but uncommitted amount on deposit in the Costs of Issuance Account for the 2020 Bonds to the Senior Bonds Interest Account (established under the Indenture as the Interest Account in connection with Senior Obligations and to distinguish the same from the Subordinated Bonds Interest Account and sometimes referred to as the Senior Bonds Interest Account) within the Senior Bonds Payment Fund (established under the Indenture as the Payment Fund in connection with Senior Obligations and to distinguish the same from the Subordinated Bonds Payment Fund and sometimes referred to as the Senior Bonds Payment Fund), to be applied as a credit towards the next interest payment on the 2020 Bonds.

Section 19.9. Use of Moneys in 2020A Acquisition Fund. The Trustee shall disburse moneys from the 2020A Acquisition Fund to pay Project Costs with respect to the 2020A Bonds or, at the election of the City as set forth in a Requisition or Written Request of the City, transfer such moneys therefrom to the Interest Account to pay interest on the 2020A Bonds when and as the same shall become due and payable. Such disbursements shall be made from time to time upon receipt of Requisitions of the City on behalf of the Authority substantially in the form attached as Exhibit C to this Supplement. If, after payment of all Requisitions of the City on behalf of the Authority and delivery to the Trustee of a Certificate of Completion, there shall remain any balance of money in the Acquisition Fund, all money so remaining shall be transferred to the Senior Bonds Interest Account within the Senior Bonds Payment Fund, to be applied as a credit towards the next interest payment on the 2020 Bonds.

Section 19.10. Acquisition of 2020 Components; Completion Date. The Authority hereby appoints the City as its agent for the acquisition and construction of the 2020 Components with moneys on deposit in the 2020A Acquisition Fund. Upon the determination by the City that such acquisition and construction is complete, the City will so indicate by filing the Certificate of Completion with the Trustee.

Section 19.11. Compliance with Tax Certificate. The Authority covenants and agrees to comply with the terms of that certain Tax Certificate delivered on the 2020 Closing Date with respect to the 2020A Bonds, it being acknowledged and agreed that Bond Counsel will rely upon the same in delivering its opinion respecting the tax status of the 2020A Bonds.

Section 19.12. Trustee's Compensation regarding 2020 Bonds. The Authority shall pay to the Trustee a reasonable compensation for its services rendered hereunder and reimburse the Trustee for reasonable expenses, disbursements and advances, including attorney's and agent's fees and expenses, incurred by the Trustee in the performance of its obligations hereunder with respect to the 2020 Bonds.

Section 3. Applicability of Original Indenture, First Supplement, Second Supplement, Third Supplement, Fourth Supplement, Fifth Supplement and Sixth Supplement. Except insofar as herein otherwise expressly provided, all the definitions, provisions, terms, and conditions of the Original Indenture, the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, the Fifth Supplement and the Sixth Supplement shall be deemed to be incorporated in and made a part of this Supplement. The Original Indenture, as supplemented and amended by the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, the Fifth Supplement, the Sixth Supplement and this Supplement, is in all respects ratified, approved, and confirmed. The Original Indenture, the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, the Fifth Supplement, the Sixth Supplement and this Supplement shall hereafter be read, taken, and considered as one and the same instrument, and the parties agree to conform to and comply with all and singular the terms, provisions, covenants, and conditions set forth therein and herein.

Section 4. Partial Invalidity. If any one or more of the agreements or covenants or portions thereof required hereby to be performed by or on the part of the City or the Trustee shall be contrary to law, then such agreement or agreements, such covenant or covenants, or such portions thereof shall be null and void and shall be deemed separable from the remaining agreements and covenants or portions thereof and shall in no way affect the validity hereof.

Section 5. Articles and Section Headings and References. The headings or titles of the several articles and sections hereof, and the table of contents hereto, shall be solely for convenience of reference and shall not affect the meaning, construction, or effect of this Supplement. All references herein to "Articles," "Sections," and other subdivisions or clauses are to the corresponding Articles, Sections, subdivisions, or clauses of the Original Indenture as supplemented and amended by the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, the Fifth Supplement, the Sixth Supplement and this Supplement as a whole. The words "hereby," "herein," "hereof," "hereto," "herewith," "hereunder," and other words of similar import refer to the Original Indenture as supplemented and amended by the First Supplement, the Second Supplement, the Third

Supplement, the Fourth Supplement, the Fifth Supplement, the Sixth Supplement and this Supplement as a whole and not to any particular Article, Section, subdivision, or clause hereof.

Section 6. Execution in Several Counterparts. This Supplement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

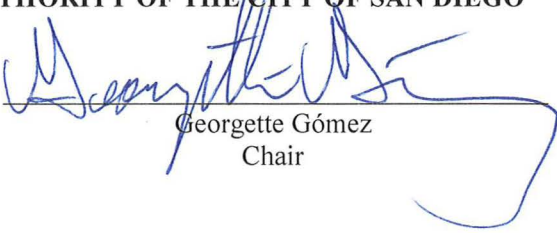
Section 7. Governing Law. This Supplement shall be governed by the laws of the State of California applicable to contracts made and performed in such State.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the Authority and the Trustee have caused this Supplement to be executed by their duly authorized officers, all as of the date first above written.


**PUBLIC FACILITIES FINANCING
AUTHORITY OF THE CITY OF SAN DIEGO**

By: _____


Georgette Gómez
Chair


Attest:

By: _____


Elizabeth Maland
Secretary

APPROVED AS TO FORM:
GENERAL COUNSEL TO THE AUTHORITY

By: _____


Bret A. Bartolotta
Deputy General Counsel

**U.S. BANK NATIONAL ASSOCIATION,
AS SUCCESSOR TRUSTEE**

By: _____

Authorized Officer

EXHIBIT A

**PUBLIC FACILITIES FINANCING AUTHORITY OF THE CITY OF SAN DIEGO SENIOR
WATER REVENUE [REFUNDING] BONDS, SERIES 2020[A/B]
(PAYABLE SOLELY FROM INSTALLMENT PAYMENTS SECURED BY NET SYSTEM
REVENUES OF THE WATER UTILITY FUND)**

No. R-_____ PRINCIPAL AMOUNT: \$ _____
INTEREST RATE **MATURITY DATE** **DATED DATE** **CUSIP**

REGISTERED OWNER: CEDE & CO.

The Public Facilities Financing Authority of the City of San Diego, a joint exercise of powers authority organized and existing under the laws of the State of California (the "Authority"), for value received, hereby promises to pay (but only out of the Revenues and other assets pledged therefor as hereinafter mentioned) to the Registered Owner stated above, or registered assigns, on the Maturity Date stated above (subject to any right of prior redemption hereinafter mentioned), the Principal Amount stated above, in lawful money of the United States of America; and to pay interest thereon in like lawful money from the Interest Payment Date next preceding the date of authentication of this Bond (unless this Bond is authenticated as of a day during the period commencing after the fifteenth day of the month preceding an Interest Payment Date and ending on or before such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or before November 1, 2020, in which event it shall bear interest from the Dated Date stated above) until payment of such principal sum shall be discharged as provided in the Indenture hereinafter mentioned, at the Interest Rate per annum stated above, payable semiannually on each February 1 and August 1, commencing on August 1, 2020 (each, an "Interest Payment Date"). The principal (or redemption price) hereof is payable upon presentment of this Bond at the corporate trust office of U.S. Bank National Association in St. Paul, Minnesota (together with any successor trustee under the Indenture referred to below, the "Trustee"). Interest hereon is payable by check of the Trustee mailed on each Interest Payment Date to the Registered Owner as of the fifteenth (15th) day of the month preceding each Interest Payment Date at the address shown on the registration books maintained by the Trustee; provided however, that payment of interest will be made by wire transfer in immediately available funds to an account in the United States of America to any Owner of Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written wire instructions to the Trustee before the fifteenth day of the month preceding the applicable Interest Payment Date.

It is hereby certified and recited that any and all things, conditions, and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened, and have been performed in due time, form, and manner as required by the provisions of the laws of the State of California (the "State"), and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution and laws of the State of California, and is not in excess of the amount of 2020[A/B] Bonds permitted to be issued under the Indenture. This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been manually signed by the Trustee.

This Bond is one of a duly authorized issue of bonds of the Authority designated as its "Senior Water Revenue [Refunding] Bonds, Series 2020[A/B] (Payable Solely from Installment Payments Secured by Net System Revenues of the Water Utility Fund)" (the "2020[A/B] Bonds"), in the aggregate principal amount of \$_____ and is issued under and authorized pursuant to the provisions of the laws of the State, and issued pursuant to an Indenture, dated as of January 1, 2009, as supplemented by the First Supplemental Indenture, dated as of June 1, 2009, the Second Supplemental Indenture, dated as of June 1, 2010, the Third Supplemental Indenture, dated as of April 1, 2012, the Fourth Supplemental

Indenture, dated as of June 1, 2016, the Fifth Supplemental Indenture, dated as of January 1, 2017, the Sixth Supplemental Indenture, dated as of December 1, 2018, and the Seventh Supplemental Indenture, dated as of May 1, 2020 (collectively, the "Indenture"), each by and between the Authority and the Trustee. Capitalized terms used in this Bond and not defined herein shall have the meaning given those terms in the Indenture.

Reference is hereby made to the Indenture (a copy of which is on file at said corporate trust office of the Trustee) and all indentures supplemental thereto for a description of the rights thereunder of the owners of the 2020[A/B] Bonds, of the nature and extent of the security, of the rights, duties, and immunities of the Trustee, and of the rights and obligations of the Authority thereunder. The Registered Owner of this Bond, by acceptance hereof, assents and agrees to all the provisions of the Indenture.

The 2020[A/B] Bonds have been issued by the Authority in relation to the financing of the acquisition, construction, installation, and improvement of certain facilities relating to the Water System of the City of San Diego (the "City"), to be sold to the City by the San Diego Facilities and Equipment Leasing Corporation (the "Corporation") pursuant to an Amended and Restated Master Installment Purchase Agreement, dated as of January 1, 2009, as amended by the First Amendment to Amended and Restated Master Installment Purchase Agreement dated as of November 14, 2018, and as supplemented, including, without limitation, by the 2012A Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of April 1, 2012, the 2016 Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of June 1, 2016, the 2017 Commercial Paper Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of January 1, 2017, the 2018 Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of December 1, 2018, and the 2020 Supplement to Amended and Restated Master Installment Purchase Agreement, dated as of May 1, 2020, each by and between the Corporation as seller and the City as purchaser, and as supplemented by the Collateral Agency, Account and Assignment Agreement, dated as of November 14, 2018, by and among the City, the Corporation, the Authority, the United States Environmental Protection Agency, acting by and through the Administrator of the Environmental Protection Agency, and U.S. Bank National Association as collateral agent under the Collateral Agency Agreement and as Trustee under the Indenture (as so amended and supplemented, the "Installment Purchase Agreement").

The 2020[A/B] Bonds and the interest thereon are payable from Revenues (as such term is defined in the Indenture), consisting primarily of 2020 Installment Payments to be made by the City under the Installment Purchase Agreement and are secured by a pledge and assignment of said Revenues and of amounts held in the Bonds Payment Fund established pursuant to the Indenture, subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture. The 2020[A/B] Bonds are special obligations of the Authority and are not a lien or charge upon the funds or property of the Authority, except to the extent of the aforesaid pledge and assignment.

The 2020[A/B] Bonds are subject to redemption as provided in the Seventh Supplemental Indenture

The 2020[A/B] Bonds are issuable as fully registered 2020[A/B] Bonds in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations provided in the Indenture, 2020A Bonds may be exchanged, at said corporate trust office of the Trustee, for a like aggregate principal amount of 2020[A/B] Bonds of other authorized denominations of the same maturity.

The Trustee has no obligation or liability to the Registered Owners to make payments of principal of or interest on the 2020[A/B] Bonds, except from amounts on deposit for such purposes with the Trustee. The Trustee's sole obligations are to administer for the benefit of the Registered Owners the various funds and accounts established under the Indenture and, to the extent provided in the Indenture, to enforce the rights of the Authority under the Installment Purchase Agreement.

This 2020[A/B] Bond is transferable by the Registered Owner hereof, in person or by the Registered Owner's attorney duly authorized in writing, at said corporate trust office of the Trustee, but only in the manner, subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer, a new 2020[A/B] Bond or 2020[A/B] Bonds, of authorized denomination or denominations, of the same maturity and for the same aggregate principal amount, will be issued to the transferee in exchange herefor.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all outstanding 2020[A/B] Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The Indenture and the rights and obligations of the Authority and of the owners of the 2020[A/B] Bonds and of the Trustee may be modified or amended from time to time and at any time in the manner, to the extent, and upon the terms provided in the Indenture; provided that no such modification or amendment shall (i) permit the creation by the Authority of any pledge of the Revenues as provided in the Indenture superior to or on a parity with the pledge created thereby for the benefit of any Bond without the written consent of the Registered Owner thereof; (ii) modify any rights or obligations of the Trustee without its prior written assent thereto; or (iii) modify provisions respecting the time or amount of payments on any Bond, without the written consent of the Registered Owner thereof, all as more fully set forth in the Indenture.

The Authority and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes and the Authority and the Trustee shall not be affected by any notice to the contrary.

Neither the faith and credit nor the taxing power of the Authority, the City, the State of California, or any of its political subdivisions is pledged to the payment of the 2020[A/B] Bonds, which are special obligations of the Authority, payable solely from Revenues. Neither the payment of the principal of this Bond or any part hereof nor any interest hereon constitutes a debt, liability, or obligation of the City, any officer of the Authority, or any person executing this Bond.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Trustee for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, the Public Facilities Financing Authority of the City of San Diego has caused this Bond to be executed in its name and on its behalf by the facsimile signature of its Chair or Vice-Chair and attested to by the facsimile signature of its Secretary, all as of the Dated Date stated above.

PUBLIC FACILITIES FINANCING
AUTHORITY OF THE CITY OF SAN DIEGO

By: _____
Chair or Vice-Chair

Attest:

Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture, which Bond has been authenticated and registered on the date set forth below.

Date of Authentication: _____

U.S. Bank National Association, as trustee

By: _____
Authorized Officer

ASSIGNMENT

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or Social Security Number)

the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Note: Signature(s) must be guaranteed by a qualified guarantor.

Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B

**FORM OF REQUISITION REQUEST –
COSTS OF ISSUANCE ACCOUNT**

PAID DATE:

**TO: U.S. Bank National Association
Corporate Trust Department**

DATE:

RE: Public Facilities Financing Authority of the City of San Diego Senior Water Revenue Bonds, Series 2020A and Public Facilities Financing Authority of the City of San Diego Senior Water Revenue Refunding Bonds, Series 2020B (Payable Solely from Installment Payments Secured by Net System Revenues of the Water Utility Fund)

Costs of Issuance Account Requisition No.

Pursuant to Section 19.8 of the Indenture, dated as of January 1, 2009, as amended and supplemented by the First Supplemental Indenture, dated as of June 1, 2009, the Second Supplemental Indenture, dated as of June 1, 2010, the Third Supplemental Indenture, dated as of April 1, 2012, the Fourth Supplemental Indenture, dated as of June 1, 2016, the Fifth Supplemental Indenture, dated as of January 1, 2017, the Sixth Supplemental Indenture, dated as of December 1, 2018, and the Seventh Supplemental Indenture (the "Seventh Supplemental Indenture"), dated as of May 1, 2020 (collectively, the "Indenture"), by and between the Public Facilities Financing Authority of the City of San Diego (the "Authority") and U.S. Bank National Association, as successor Trustee (the "Trustee"), the City of San Diego (the "City"), on behalf of the Authority, instructs you to immediately disburse from the Costs of Issuance Account established under the Indenture, for the payment of Costs of Issuance relating to the issuance of the Public Facilities Financing Authority of the City of San Diego Senior Water Revenue Bonds, Series 2020A and the Public Facilities Financing Authority of the City of San Diego Senior Water Revenue Refunding Bonds, Series 2020B (Payable Solely from Installment Payments Secured By Net System Revenues of the Water Utility Fund) in the sum(s) specified in Schedule I attached hereto, for payment made or due to the individuals, firms, or corporations whose names and addresses appear therein, for payment of the specified costs and specified purposes. In respect to each payment, the City on behalf of the Authority certifies as of the date hereof that:

- (a) the obligations in the stated amounts have been properly incurred by the City on behalf of itself or the Authority and each item thereof is a proper charge against the Costs of Issuance Account and has not been the basis of a previous disbursement;
- (b) the nature of each obligation is specified in reasonable detail; and
- (c) a bill or statement of account for each obligation accompanies this Requisition.

Capitalized terms used in this Requisition, and not otherwise defined, shall have the meanings attributable to them in the Indenture.

THE CITY OF SAN DIEGO

By: _____
Authorized Officer
Debt Management

By: _____
Authorized Officer
Department of Finance

EXHIBIT C

**FORM OF REQUISITION REQUEST –
2020A ACQUISITION FUND**

TO: U.S. Bank National Association
Corporate Trust

RE: Public Facilities Financing Authority of the City of San Diego
Senior Water Revenue Bonds, Series 2020A
(Payable Solely from Installment Payments
Secured by Net System Revenues of the Water Utility Fund)

Acquisition Fund Requisition No. ____

Pursuant to Section 19.9 of the Indenture, dated as of January 1, 2009 (the "Original Indenture"), (as supplemented and amended (the "Indenture"), by and between the Public Facilities Financing Authority of the City of San Diego (the "Authority") and U.S. Bank National Association (the "Trustee"), The City of San Diego (the "City"), on behalf of the Authority, instructs you to disburse from the 2020A Acquisition Fund for the 2020A Bonds established under the Indenture, for the payment of Project Costs relating to the 2020 Components financed with proceeds of the Public Facilities Financing Authority of the City of San Diego Senior Water Revenue Bonds, Series 2020A (Payable Solely from Installment Payments Secured By Net System Revenues of the Water Utility Fund) in the sum(s) specified below, for payment made or due to the individuals, firms or corporations whose names and addresses appear therein, for payment of the specified costs and specified purposes.

Payee

Purpose

Amount

Total Requisition: \$ _____

In respect to each payment, the City on behalf of the Authority certifies as of the date hereof that the obligations in the stated amounts have been properly incurred by the City on behalf of itself or the Authority and each item thereof is a proper charge against the 2020A Acquisition Fund and has not been the basis of a previous disbursement the nature of each obligation is specified in reasonable detail and a bill or statement of account for each obligation accompanies this Requisition.

Capitalized terms used in this Requisition, and not otherwise defined, shall have the meanings attributable to them in the Indenture.

THE CITY OF SAN DIEGO

Dated: _____

Requested by: _____
Authorized Officer – Public Utilities Department

Dated: _____

Approved by: _____
Authorized Officer – Department of Finance

EXHIBIT D

Trustee/Escrow Agent Fee Schedule



U.S. Bank Customer Confidential

**Schedule of Fees for Services as
Trustee, Registrar and Paying Agent
For**

**Facilities Financing Authority of the City of San Diego Subordinated Water Revenue
Bonds
Refunding Series 2012A and Commercial Paper**

CTS01010A	Acceptance Fee The acceptance fee includes the administrative review of documents, initial set-up of the account, and other reasonably required services up to and including the closing. This is a one-time, non-refundable fee, payable at closing, per series .	\$500.00
CTS04200	Trustee Annual fee for the standard trustee services associated with the administration of the account. Administration fees are payable in advance, per series.	\$1,300.00
CTS10100	Investment Trades - SEI Charge per trade to buy or sell investments, excluding automated sweep transactions. **Automatic sweeping of cash into money market funds is not considered a "trade" for the purposes of this fee. However, applicable fees are disclosed in the "Automatic Money Market Investments" authorization letter or the fund prospectus provided	\$50.00
CTS10890	Investment Agreement Draws / Addition - SEI Charge per draw or addition. Includes the wire or check fee.	\$50.00
Out of Pocket %	Out of Pocket Expense Charge for miscellaneous expenses such as; fax, messenger service, overnight mail, telephone, stationery and postage. This charge is a percent of total Administration Fees, charged in advance.	10%
CTS16156B	Legal Expenses Includes fees and expenses of legal counsel as well as the rendering of a standard legal opinion if required, per series .	\$2,200
	Direct Out of Pocket Expenses Reimbursement of expenses associated with the performance of our duties, including but not limited to publications, legal counsel after the initial close, travel expenses and filing fees.	At Cost

Extraordinary administration services:

Extraordinary administration services (EAS) are duties, responsibilities or activities not expected to be provided by the trustee or agent at the outset of the transaction, not routine or customary, and/or not incurred in the ordinary course of business and may require analysis or interpretation. Billing for fees and expenses related to EAS is appropriate in instances where particular inquiries, events or developments are unexpected, even if the possibility of such circumstances could have been identified at the inception of the transaction, or as changes in law, procedures, or the cost of doing business demand. At our option, EAS may be charged on an hourly (time expended multiplied by current hourly rate), flat or special fee basis at such rates or in such amounts in effect at the time of such services, which may be modified by us in our sole and reasonable discretion from time to time. In addition, all fees and

expenses incurred by the trustee or agent, in connection with the trustee's or agent's EAS and ordinary administration services and including without limitation the fees and expenses of legal counsel, financial advisors and other professionals, charges for wire transfers, checks, internal transfers and securities transactions, travel expenses, communication costs, postage (including express mail and overnight delivery charges), copying charges and the like will be payable, at cost, to the trustee or agent. EAS fees are due and payable in addition to annual or ordinary administration fees. Failure to pay for EAS owed to U.S. Bank when due may result in interest being charged on amounts owed to U.S. Bank for extraordinary administration services fees and expenses at the prevailing market rate.

General terms and conditions:

Your obligation to pay under this fee schedule shall govern the matters described herein and shall not be superseded or modified by the terms of the governing documents and survive any termination of the transaction or governing documents and the resignation or removal of the trustee or agent. This fee schedule shall be construed and interpreted in accordance with the laws of the state identified in the governing documents without giving effect to the conflict of laws principles thereof. You agree to the sole and exclusive jurisdiction of the state and federal courts of the state identified in the governing documents over any proceeding relating to or arising regarding the matters described herein. Payment of fees constitutes acceptance of the terms and conditions described herein.

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event your transaction is not finalized, any related out-of-pocket expenses will be billed to you directly. Absent your written instructions to sweep or otherwise invest, all sums in your account will remain uninvested and no accrued interest or other compensation will be credited to the account. Payment of fees constitutes acceptance of the terms and conditions set forth.

Important information about procedures for opening a new account: To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a nonindividual, such as a business entity, a charity, a trust or other legal entity, we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

November 15, 2019



U.S. Bank Customer Confidential

**Schedule of Fees for Services as
Escrow Agent
For
Facilities Financing Authority of the City of San Diego
Subordinated Water Revenue Bonds
Refunding Series 2012A**

CTS01010A	Acceptance Fee The acceptance fee includes the administrative review of documents, initial set-up of the account, and other reasonably required services up to and including the closing. This is a one-time, non-refundable fee, payable at closing.	\$300.00
CTS04150	Refunding Escrow Agent Annual fee for the standard agent services in administration of the defeasance escrow. Administration fees are payable in advance	\$500.00
CTS19189	Optional Redemptions Fee charged for optional redemptions, including special redemptions and intraperiod calls.	\$300.00
CTS19214	Investment Activity Fees charged in connection with extraordinary investment activity. (SLGs / OMS purchases)	\$300.00
CTS16156B	Legal Expenses Includes fees and expenses of legal counsel as well as the rendering of a standard legal opinion if required.	\$500.00
	Direct Out of Pocket Expenses Reimbursement of expenses associated with the performance of our duties, including but not limited to publications, legal counsel after the initial close, travel expenses and filing fees.	At Cost
	Extraordinary Services Extraordinary Services are duties or responsibilities of an unusual nature, including termination, but not provided for in the governing documents or otherwise set forth in this schedule. A reasonable charge will be assessed based on the nature of the services and the responsibility involved. At our option, these charges will be billed at a flat fee or at our hourly rate then in effect.	

Extraordinary administration services:

Extraordinary administration services (EAS) are duties, responsibilities or activities not expected to be provided by the trustee or agent at the outset of the transaction, not routine or customary, and/or not incurred in the ordinary course of business and may require analysis or interpretation. Billing for fees and expenses related to EAS is appropriate in instances where particular inquiries, events or developments are unexpected, even if the possibility of such circumstances could have been identified at the inception of the transaction, or as changes in law, procedures, or the cost of doing business demand. At our option, EAS may be charged on an hourly (time expended multiplied by current hourly rate), flat or special fee basis at such rates or in such amounts in effect at the time of such services, which may be modified by us in our sole and reasonable discretion from time to time. In addition, all fees and expenses incurred by the trustee or agent, in connection with the trustee's or agent's EAS and ordinary administration services and including without limitation the fees and expenses of legal counsel, financial advisors and other professionals, charges for wire transfers, checks, internal transfers and securities transactions, travel expenses, communication costs, postage (including express mail and overnight delivery charges), copying charges and the like will be payable, at cost, to the trustee or agent. EAS fees are due and payable in addition to annual or ordinary administration fees. Failure to pay for EAS owed to U.S. Bank when due may result in interest being charged on amounts owed to U.S. Bank for extraordinary administration services fees and expenses at the prevailing market rate.

General terms and conditions:

Your obligation to pay under this fee schedule shall govern the matters described herein and shall not be superseded or modified by the terms of the governing documents and survive any termination of the transaction or governing documents and the resignation or removal of the trustee or agent. This fee schedule shall be construed and interpreted in accordance with the laws of the state identified in the governing documents without giving effect to the conflict of laws principles thereof. You agree to the sole and exclusive jurisdiction of the state and federal courts of the state identified in the governing documents over any proceeding relating to or arising regarding the matters described herein. Payment of fees constitutes acceptance of the terms and conditions described herein.

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event your transaction is not finalized, any related out-of-pocket expenses will be billed to you directly. Absent your written instructions to sweep or otherwise invest, all sums in your account will remain uninvested and no accrued interest or other compensation will be credited to the account. Payment of fees constitutes acceptance of the terms and conditions set forth.

Important information about procedures for opening a new account: To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a nonindividual, such as a business entity, a charity, a trust or other legal entity, we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

November 15, 2019